

# COMMITTEE REPORT

## MADAM PRESIDENT:

**The Senate Committee on Tax and Fiscal Policy, to which was referred Senate Bill No. 106, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:**

- 1       Replace the effective dates in SECTIONS 1 through 2 with
- 2       "[EFFECTIVE JULY 1, 2006]".
- 3       Page 2, line 5, strike "and".
- 4       Page 2, line 7, delete "Indiana." and insert "Indiana; **and**".
- 5       Page 2, delete lines 8 through 42, begin a new line block indented
- 6       and insert:
- 7       **"(5) in the case of a transaction involving a cargo trailer or**
- 8       **recreational vehicle, the cargo trailer or recreational vehicle**
- 9       **will be titled or registered in a state or country that provides**
- 10       **an exemption from sales, use, or similar taxes imposed on a**
- 11       **cargo trailer or recreational vehicle that is purchased in that**
- 12       **state or country by an Indiana resident and will be titled or**
- 13       **registered in Indiana.**
- 14       **A transaction involving a cargo trailer or recreational vehicle that**
- 15       **does not meet the requirements of subdivision (5) is not exempt**
- 16       **from the state gross retail tax. The amount of the exemption for a**
- 17       **cargo trailer or recreational vehicle is determined in subsection (d):**
- 18       (b) The amount of the exemption for a cargo trailer or a recreational
- 19       vehicle under this section is equal to the amount of:
- 20       (+) the state gross retail tax that would be imposed on the
- 21       transaction if the cargo trailer or recreational vehicle were

1 registered in Indiana; minus

2 (2) the sales, use, or similar tax that would have been imposed on  
3 the transaction under the laws of the state or country in which the  
4 purchaser affirms the cargo trailer or recreational vehicle will be  
5 registered;

6 The amount of the exemption under this section may not exceed the  
7 amount of the state gross retail tax that would be imposed on the  
8 transaction if the cargo trailer or recreational vehicle were registered in  
9 Indiana. A retail merchant that accepts an exemption claim for a cargo  
10 trailer or recreational vehicle under this section shall, within sixty (60)  
11 days after the date of the transaction, have on file a copy of the  
12 purchaser's title or registration of the cargo trailer or recreational  
13 vehicle outside Indiana or pay to the state the amount of the exemption.

14 (e) Any state gross retail tax due after the application of the  
15 exemption provided by this section must be paid to the retail merchant.

16 (f) (d) A purchaser must claim an exemption under this section by  
17 submitting to the retail merchant an affidavit stating the purchaser's  
18 intent to:

19 (1) transport the cargo trailer, recreational vehicle, or aircraft to a  
20 destination outside Indiana within thirty (30) days after delivery;  
21 and

22 (2) title or register the cargo trailer, recreational vehicle, or aircraft  
23 for use in another state or country.

24 The department shall prescribe the form of the affidavit, **which must**  
25 **include an affirmation by the purchaser under the penalties for**  
26 **perjury that the information contained in the affidavit is true.** The  
27 affidavit must identify the state or country in which the cargo trailer,  
28 recreational vehicle, or aircraft will be titled or registered. ~~Within sixty~~  
29 ~~(60) days after the date of the transaction, the purchaser shall provide~~  
30 ~~to the retail merchant a copy of the purchaser's title or registration of~~  
31 ~~the cargo trailer, recreational vehicle, or aircraft outside Indiana.~~

32 (g) (e) The department shall provide the information necessary to  
33 calculate the amount of **determine a purchaser's eligibility for** an  
34 exemption claimed under this section to retail merchants in the business  
35 of selling cargo trailers or recreational vehicles."

36 Page 3, delete lines 1 through 4.

37 Page 3, delete line 8.

(Reference is to SB 106 as introduced.)

**and when so amended that said bill do pass.**

Committee Vote: Yeas 9, Nays 0.

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**Kenley**

**Chairperson**